(C) 92.

FLOOD BRIAN 07/02/92 105609 PRINTER: WM
01 WELLINGTON 3556

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE
PAGE 01 WELLIN 03556 0903402
ACTION EB-06
INFO OCT-01 ADS-00 INR-10 SS-15 CIAE-00 EA-10 NSCE-00
NSAE-00 COME-00 SSO-00 L-03 TRSE-00 STR-11 INRE-00
AGRE-00 ICAE-00 SP-02 SPRS-02 /062 W
------------------230401 0903477Z /13

O 0903212 JUL 91
FM AMEMBASSY WELLINGTON
TO SECSTATE WASHDC IMMEDIATE 2710
INFO AMEMBASSY BRUSSELS
AMEMBASSY CANBERRA
LIMITED OFFICIAL USE WELLINGTON 03556
BRUSSELS FOR USEC
DEPARTMENT PASS AGRICULTURE FOR R. ANDERSON/FAS
E.O. 12065: N/A
TAGS: ETRD, EAGR, NZ, UR
SUBJECT: U.S. BUTTER DISPOSAL PLANS
1. TODAY'S MORNING RADIO NEWS FEATURED A REPORT ON NEGOTIATIONS BETWEEN THE U.S. GOVERNMENT AND THE NEW ZEALAND DAIRY BOARD CONCERNING POSSIBLE MEANS OF DISPOSAL OF U.S. SURPLUS BUTTER STOCKS. AS EXPLAINED HERE, THE TALKS CENTERED ON AN ARRANGEMENT UNDER WHICH THE U.S. BUTTER WOULD BE SOLD TO THE NEW ZEALANDERS WHO IN TURN WOULD RESELL THE BUTTER TO THE SOVIET UNION. THE ARRANGEMENT WAS EXPLAINED AS A MODUS VIVENDI UNDER WHICH (1) THE U.S. COULD MOVE THE BUTTER TO THE U.S.S.R. WITHOUT RAISING POLITICAL OPPOSITION WITHIN THE UNITED STATES AND (2) THE NEW ZEALANDERS COULD HAVE A DIRECT INFLUENCE ON THE CONDITIONS UNDER WHICH THE BUTTER ENTERED THE WORLD MARKET. MINISTER OF OVERSEAS TRADE, TALBOYS, CONFIRMED THAT THE TALKS ARE TAKING PLACE BUT DECLINED FURTHER COMMENT EXCEPT
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE
PAGE 02 WELLIN 03556 0903402
TO EXPRESS NEW ZEALAND CONCERNS ABOUT THE POTENTIAL EFFECT OF ANY U.S. SURPLUS BUTTER SALE ON NEW ZEALAND'S DAIRY SALES.
2. AS THE EMBASSY HAS ALREADY HAD SEVERAL PRESS INQUIRIES ON THIS MATTER WE WOULD APPRECIATE ANY INFORMATION WHICH THE DEPARTMENT CAN PROVIDE. IS THE INFORMATION AS SUMMARIZED IN PARA 1 ABOVE ACCURATE? THIS ISSUE IS, OF COURSE, OF GREAT TIVITY HERE AND, THUS ANY BACKGROUND INFORMATION, AS WELL AS PRESS GUIDANCE, THAT WE CAN RECEIVE WOULD BE GREATLY APPRECIATED.
SALMON
LIMITED OFFICIAL USE

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY _____ DATE 4/4/94
RDS ☐ or XDS ☐ EXT. DATE _____
TS AUTH. _____ REASON(S) _____
ENFORCE EXISTING MARKINGS
DECLASSIFIED ☐ RELEASABLE ☑
RELEASE DENIED ☐
PA or FOI EXEMPTIONS _____